

SECRET/CONTROL

AIR

MIB-A- 8193

Chief, Foreign Division "M"

24 February 1951

Acting Chief of Station, Karlsruhe

Project CADUCITY - Change in Occupational Status

1. CADUCITY informed us on 12 February 1951 that he is no longer with Z-TAN. This section, it appears, came in for strong criticism on the score of its ineffectiveness; for a while it looked as if it were going to be dissolved altogether. At a conference attended by the section chief RACKOW, Professor Eva ALTMANN and (fmr) ARLT, in charge of the Economics Section of the Central Committee of the SED, to transfer TAN to the Labor Ministry, CADUCITY, so he claims, availed himself of this opportunity to ask for a transfer. This request was granted retroactively, effective on 2 January 1951. CADUCITY showed us an official letter with a Staatliche Planungskommission letterhead, addressed to him, stating that effective 2 January 1951 he had been transferred in the capacity of section chief to the Arbeitskrafteplanung (planning of the allocation of labor) of the Staatliche Planungskommission.

2. For a while - CADUCITY estimates at least a month - he will not be given a specific assignment but acquaint himself with the functions of Arbeitskrafteplanung. At present, subject works in the payroll section. He expects, however, that before a definite assignment is decided upon he will be given a chance to learn what the other sections are doing. CADUCITY considers his transfer as in line with our desires, because Z-TAN - certainly as a result of the contemplated reorganization - would have occupied a marginal position from the point of view of gaining insight into East Zone economic planning. He believes that his new job will afford him a better opportunity to get closer to production schedules than heretofore.

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